STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT NEWPORT WATER DIVISION DOCKET NO. 3675
APPLICATION TO CHANGE RATE SCHEDULES

NOTICE TO CUSTOMERS

On April 15, 2005, pursuant to Rhode Island General Laws § 39-3-11 and Part II of the Public Utilities Commission's ("Commission") Rules of Practice and Procedure, the City of Newport, Utilities Department, Water Division ("Newport Water") filed an application to increase its rates with the Commission.

The proposed rates were designed to collect additional operating revenue in the amount of \$1,310,332 to collect total revenues of \$9,814,344. The impact of this request would have resulted in a 15.4% increase in total revenues. For a typical residential customer, the impact of this request would have resulted in an increase of \$35.04 per year or 15.95%. The impact on all other customers would have varied based on customer class and consumption.

On August 5, 2005, The City of Newport, Utilities Department, Water Division filed supplemental testimony in the above captioned docket that may result in a higher percentage increase in rates for its customers. The proposed rates are now designed to collect additional operating revenue in the amount of \$1,732,418 to collect total revenues of \$9,608,769. The impact of this request will result in a 22.0% increase in total revenue. For a typical residential customer, the impact of this request will result in an increase of \$50.01 per year or 22.77%. The impact on all other customers will vary based on customer class and consumption. Please note that while Newport Water is requesting this revenue increase, the Commission, after full investigation and hearings, may order a different revenue requirement and rate.

Pursuant to the provisions of Sections 39-1-1 and 39-3-11 of the General Laws, as amended, the Public Utilities Commission ("Commission") will conduct public hearings on the following dates and locations:

Thursday, August 18, 2005 @ **7:00 P.M.** Newport City Hall Council Chambers

43 Broadway

Newport, Rhode Island

Tuesday, November 7, 2005 @ 9:30 A.M. Public Utilities Commission

89 Jefferson Boulevard Warwick, Rhode Island The hearings may continue thereafter from day to day and time to time as required.

The application can be examined at the Commission's office and at the office of City of Newport Water Division, 70 Halsey Street, Newport, Rhode Island. The application can also be viewed on line at www.ripuc.org/eventsactions/docket/3675page.html.

THESE BUILDINGS ARE ACCESSIBLE TO THE HANDICAPPED. INDIVIDUALS REQUESTING INTERPRETER SERVICES FOR THE HEARING AND SPEECH IMPAIRED MUST NOTIFY THE COMMISSION CLERK'S OFFICE AT 945-4500, SEVENTY-TWO HOURS IN ADVANCE OF HEARING DATE.